

Message Text

UNCLASSIFIED

PAGE 01 KINGST 03729 142018Z
ACTION TRSE-00

INFO OCT-01 ARA-14 ISO-00 SP-02 USIA-15 AID-05 EB-07
NSC-05 EPG-02 SS-15 STR-04 OMB-01 CEA-01 CIAE-00
COME-00 FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06
LAB-04 SIL-01 L-03 H-02 PA-02 PRS-01 /103 W
-----056925 142021Z /62

P 141630Z JUL 77
FM AMEMBASSY KINGSTON
TO SECSTATE WASHDC 6233
AMEMBASSY BRIDGETOWN
AMEMBASSY GEORGETOWN
AMEMBASSY NASSAU
AMEMBASSY PORT OF SPAIN

UNCLAS KINGSTON 3729

E.O. 11652: N/A
TAGS: EFIN, JM
SUBJECT: PM MANLEY ANNOUNCES JAMAICA/IMF AGREEMENT

1. PRIME MINISTER MANLEY ANNOUNCED AGREEMENT BETWEEN JAMAICA AND THE IMF TO HOUSE OF REPRESENTATIVES JULY 13. AGREEMENT IS FOR A \$74 MILLION (US) STANDBY FACILITY. OF THIS AMOUNT, \$22.4 MILLION WILL BE MADE AVAILABLE IN LATE AUGUST. AND \$11 MILLION EACH IN DECEMBER AND MARCH. MANLEY PROMISED THAT FURTHER DETAILS ON THE IMF PACKAGE WOULD BE TABLED IN PARLIAMENT JULY 14.

2. IN MAKING ANNOUNCEMENT MANLEY DENIED THAT GOJ HAD OPTED FOR "AN IMF SOLUTION" OVER A "SELF-RELIANCE SOLUTION" TO THE COUNTRY'S ECONOMIC PROBLEMS. HE SAID THE TWO HAD NEVER BEEN PUT FORWARD AS ALTERNATIVES. MANLEY NOTED THAT THE IMF AGREEMENT WILL ALLOW THE GOJ TO CONTINUE TO FUND ITS SPECIAL EMPLOYMENT AND OTHER SOCIAL PROGRAMS. THE AGREEMENT WILL ALSO ALLOW THE BANK OF JAMAICA AND LOCAL COMMERCIAL LENDERS TO FUND A TOTAL BUDGET DEFICIT OF \$235 MILLION (\$190 MILLION IN FOREIGN EXCHANGE COUNTERPART AND \$45 MILLION IN LOCAL COMMERCIAL LENDING). MANLEY STRESSED
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KINGST 03729 142018Z

THE FACT THAT THE GOVERNMENT HAD BEEN ABLE TO MAINTAIN AN EXCHANGE RATE WHICH WOULD SERVE TO PROTECT THE MASSES AGAINST UNDUE HARDSHIP.

3. MANLEY NOTED THAT THE GOJ HAS NOW IDENTIFIED A TOTAL OF \$190 MILLION WHICH IT HAS BEEN ABLE TO OBTAIN FROM INTERNATIONAL SOURCES. THE IMF PACKAGE WILL PROVIDE \$44 MILLION OF THIS AMOUNT

DURING THIS FINANCIAL YEAR. MANLEY SAID THE OTHER SOURCES WOULD BE IDENTIFIED AS AGREEMENTS ARE FORMALIZED. HE SAID THAT THE GOVERNMENT'S SUCCESS IN LINING UP THIS FINANCING HAS MADE IT POSSIBLE TO INCREASE THE IMPORT CEILING TO NEAR \$800 MILLION JAMAICAN DOLLARS IN CY 1977.

4. COMMENT FOLLOWS BY SEPTTEL.
IRVING

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, LOAN AGREEMENTS, INTERNATIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 14-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977KINGST03729
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770251-0434
Format: TEL
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770758/aaaabyfq.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8524d76b-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1864208
Secure: OPEN
Status: NATIVE
Subject: PM MANLEY ANNOUNCES JAMAICA/IMF AGREEMENT
TAGS: EFIN, JM, IMF
To: STATE BRIDGETOWN
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/8524d76b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009